

# Author Talks: David Fubini on hidden truths for CEOs

In his new book, David Fubini provides a behind-the-scenes look at what it takes to be a superior leader.



**In this edition** of *Author Talks*, McKinsey Global Publishing's Raju Narisetti chats with David Fubini, former senior partner at McKinsey & Company. In his new book, *Hidden Truths: What Leaders Need to Hear But Are Rarely Told* (Wiley, December 2020), the accomplished Harvard Business School faculty member offers exclusive insights about C-suite jobs that provide aspiring leaders with practical, new skills that will equip them for the immense challenges they may confront. An edited version of the interview follows.

**What problem were you trying to solve with this book?**

The book originates largely from three sort of major motivations. The first was I was teaching lots of executives and, at the end of the sessions, many of them would come to me and say, "I learned so much from case examples and the Socratic conversations. Is there something written that would help us memorialize the things that we're learning?" And I was unable to find any really good books. I thought, maybe there's an opportunity here.

The second is I went and I looked at leadership books, and there are many, many written by CEOs. But those tend to be biographical and lofty in terms of the major learnings that they're trying to convey. And I was thinking, I really want something day to day—what it really feels like to be a leader. And then, finally, Harvard came to me and said, "It would be great if you could write something because this is a topic we really think CEOs—and other leaders—would find valuable."

**What surprised you most about writing this book—in the research, writing, or response?**

What was most surprising to me was how surprising CEOs found the things that I was conveying back to them as a potential table of contents and ideas—about what they experience, day in and day out, about these various elements of what it really means to be a new CEO, and about how much they thought it would be helpful for this to be conveyed to others.

And I found it unusual that there wasn't really an understanding of the basic realities of what the day-to-day was of CEOs. The second was when I would go to CEOs and say, "Here's what I take away from our conversation. I think this is important." They would say, "It's *incredibly* important. By the way, that never happened to me because I was a better leader than that." But other leaders need to hear that. And of course, I know from my own consulting experience, in many cases, they had experienced that which I was describing to them.

**Do your due diligence**

**How can new leaders balance the need to react quickly with the need to get it right?**

There's a huge challenge now because there is an expectation that CEOs will arrive, as I said in the book, prepared, and that that's because there is such limited time and patience among boards, analysts, and other constituencies that they're having to deal with.

And I think this really calls on them to actually do an enormous amount of homework that many CEOs, as they came into their roles, often have not done. This is something that's really new learning for CEOs. Indeed, one of the CEOs I interviewed who had been remarkably successful at his transition—and I asked what the underpinnings of it was—would talk about how he very consciously viewed this as a due-diligence exercise akin to buying a large company.

He had to actually secure a lot of information from a wide variety of sources. He actively sought to get consultative help, even in advance of getting into the company, because he wanted to arrive with a strategic plan. He'd gone to investment bankers who were friendly to him to ask, "How would this be greeted by Wall Street?"

**‘In order to be a good CEO, you have to be a good strategist. You have to make disciplined trade-offs, and you have to know both the positive and the negative to make those trade-offs.’**

This is the type of due diligence that is unusual for others—when they were just interviewing—to have done. Now, it's become a standard. Because if they don't do that, they won't be able to arrive with an actual plan. Now that plan obviously, like all plans, has to get modified by the reactions that it engenders. But the point is, you have to have a plan.

**What can boards do to ease the transition of incoming leaders and set them up for success?**

I think there's a lot boards could do to really help CEOs and other leaders transition. The first is, they have to be very crisp about what it is that they're seeking in their leader. That job description, which often feels like boilerplate, really is much more meaningful than that.

It has to be: "Here's the type of leader we are seeking." So when they go and seek that person, they are all in common agreement so that the second thing can be achieved, which is a consensus around the board. Very often, you find the problems with transitions happen when the board, themselves, are not aligned around what they want from the CEO they've just hired. You really have to have boards aligned around what they're seeking.

And then, finally, expectation management. What do they want to have happen and when do they want it to happen has to be agreed upon as well. Because if new CEOs come in and they have a different expectation around timing and expectations (as they often do) from the board, conflict immediately

emerges. So those are the things that boards really have to do a better job at, even before they hire a CEO.

**Arrive with a plan**

**What are some of the things new CEOs find surprising after they begin their tenure?**

I would spotlight three things as the biggest surprises and blind spots for CEOs. One is the importance of arriving with a plan and with a team. I think a lot of CEOs think that they can just arrive and they'll have a grace period, which, often they find, even if they did have a plan and a team, they'd be overwhelmed by the sheer volume of constituencies and challenges that they have to actually deal with. And they never had time to really go back and get a plan for what they wanted to do.

The second is the belief that they get told the entire truth by their management teams. In order to be a good CEO, you have to be a good strategist. You have to make disciplined trade-offs, and you have to know both the positive and the negative to make those trade-offs.

It's surprising how often CEOs are not told the entire negative truth of things, because there is such a desire of their management teams to tell them only the good. So, many CEOs get surprised by the fact that they don't hear the negative.

And finally, I think it's also a big surprise to lots of CEOs how lonely the job can be. I know that sounds counterintuitive but, really, suddenly CEOs are cut off from a lot of their fundamental mentorship and groups of people that they used to deal with when they weren't in the most top job in the company. Once you're in the top job, you really don't have access to some of those people and staffs that you used to. And it really does get lonely pretty quickly.

**What were some of the challenges—and advantages—of having an outsider's perspective on the CEO experience?**

The challenges were reduced by the fact that there are just lots of observational points after one has a 34- or 35-year career in McKinsey. You have lots of observations. That gives you, immediately, a hypothesis for what you should actually think about writing in the context of hidden truths for CEOs.

The second is that you have an opportunity to talk to lots of CEOs. And this is a thing that CEOs love to talk about, because it's the reality of their jobs. In my interviews with them, I would ask, "Tell me what you wish you knew before you took the job that you didn't know?"

They would go on and on about all the things they wish they had known. It was a wonderful way for them to contribute back through me to others that will follow in their footsteps.

The challenge is, "Hey, I've never been a CEO, and I'm writing about what it means to be a CEO." I reached out to a great friend, Larry Culp, who is a very prominent CEO—both in his previous life and now—to write the foreword, for him to say, "There is some usefulness here, because I, as a CEO, see that value."

**You come from a family of eminent thinkers. Tell us about that and what meaning this book holds for you in that context.**

Let me be very clear. My grandfather was a world-class mathematician. My father was a world-class engineer and the former chief scientist at IBM. I am not of that caliber. I am not somebody who has that intellect.

What I have is the ability to have worked alongside of and as a counselor to many leaders. This book was my way of contributing back, in some ways, in the same vein that my much more intrinsically gifted father and grandfather did in their own ways. This is at least my attempt to contribute something back, much like they did, either through formulas or through technology.

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